

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
JULY 18, 2005**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, July 18, 2005.

The meeting was called to order by Chairman Greg Krodel who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Greg A. Krodel – Chairman
Mike Harder – Vice Chairman
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Edward J. Kreilein – Wastewater Commissioner
Alex Emmons – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Sandy Hemmerlein – City Attorney

ABSENT:

Ken Sendelweck – Secretary

PLEDGE OF ALLEGIANCE (A-18)

Chairman Greg Krodel led the Pledge of Allegiance.

APPROVAL OF MINUTES (A-26)

Chairman Greg Krodel presented the minutes of the June 20, 2005 meeting and there being no corrections or amendments, asked for a motion to approve. Ed Kreilein made a motion to approve the minutes of the June meeting as presented. Alex Emmons seconded the motion. Motion approved, 6-0.

PUBLIC BUSINESS: REQUEST TO CONNECT TO SEWER (A-56)

Tom Lents, representing Randy & Carla Popp, came before the Board to request a connection to the City sewer to Popp's property off of Highway 164.

Lents presented a map showing Popp's property.

Lents explained their lot was included in the original Whoderville sewer project, and they are just asking for approval to connect at this time.

Popp's are aware of the requirements for the connection.

Ed Kreilein made a motion to allow Randy & Carla Popp to connect to the City sewer as requested, with the condition they sign an annexation waiver, and follow all other rules set forth in that procedure. Jeff Theising seconded the motion. Motion approved, 6-0.

REQUEST FOR DISPOSAL – ELECTRIC DISTRIBUTION (A-120)

Jerry Schitter requested Board approval to declare some 12-15 year old 15KV power fuses as worthless and to allow him to dispose of them. Schitter said he has tried to find someone to buy them, but has found they are obsolete.

Mike Schwenk made a motion to allow Jerry Schitter to declare the 15KV power fuses as worthless and to dispose of them. Jeff Theising seconded the motion. Motion approved, 6-0.

PERMISSION TO START HIRING PROCESS FOR 2 EMPLOYEES – ELECTRIC GENERATION (A-163)

Windell Toby reported he recently had one employee terminate his employment and will have one employee retire at the end of the year, and asked for Board approval to start the hiring process to replace both employees.

Toby said he plans on moving some existing employees around, and hiring two boiler operators.

Toby said the process could take two or more months and he would like to get started.

Alex Emmons made a motion to allow Windell Toby to start the hiring process for 2 employees, following the City's guidelines. Mike Harder seconded the motion. Motion approved, 6-0.

ELECTRIC PLANNING COMMITTEE REPORT (A-241)

Mike Schwenk, Chairman of the Electric Planning Committee, reported that the committee met on July 15th to discuss the power contract with Vectren and the power factor correction for industrial customers.

Schwenk stated that the City has had a contract with Vectren for many years, and during the last several years we have been on an annual contract renewal, especially since MISO became an issue.

Schwenk said once again we have been able to negotiate a 1-year contract renewal with a 9.9% increase, plus a fuel adjustment.

Schwenk said after discussion and investigation the committee considered the rate very competitive and recommended approval of the contract renewal.

Sandy Hemmerlein and our consulting attorneys have reviewed the contract.

Ed Kreilein made a motion to accept the 1-year contract renewal with Vectren. Mike Schwenk seconded the motion. Motion approved, 6-0.

Schwenk reported the committee also discussed the power factor correction for industrial customers.

Several years ago Vectren changed their billing to the City to a 100% power factor, while the City has had a benchmark of a 90% power factor for their billing to the industrial customers. In the past, the City did not pass that extra charge on to their customers, but now the committee has recommended amending the ordinance to reflect a 100% power factor clause.

Mike Schwenk made a motion to recommend approval of Resolution USB 2005-03 regarding the electric power factor clause to the City Council. Jeff Theising seconded the motion. Motion approved, 6-0.

PERMISSION TO REPLACE TREATMENT OPERATOR – WATER (A-385)

Mike Oeding asked for Board approval to replace a treatment operator who recently terminated his employment. Oeding said he is going to try to hire a licensed operator.

Jeff Theising made a motion to allow Mike Oeding to start the hiring process to replace a treatment operator. Alex Emmons seconded the motion. Motion approved, 6-0.

UPDATE – NEWTON ST. WATER TANK PROJECT (A-434)

Mike Oeding reported the painting has been completed and they should finish filling the Newton St. water tank on Tuesday. Two bacteriological tests will be done after the water sits in the tank for 24 hours. Upon passing the tests, the tank should be back on-line by the end of the week.

Oeding reported the tank was started up last week, but there was a problem with the seal around the small door.

The electrical work has been started. The sub-contractor has equipment on site for grade work. Oeding said he anticipates seeding will wait until the fall.

Oeding said the contractor has until August 3rd to complete the project, but they should be substantially complete next week.

Mike Harder asked Oeding if the blue light poles in front of the water tank would be painted. Oeding said the contractor had some paint left over and they would paint them.

UPDATE – MERIDIAN RD. GAS PROJECT (A-470)

Mike Oeding reported the Meridian Rd. project has been delayed by the weather, and by trouble with the dam in Brentwood Subdivision.

GAS PLANNING COMMITTEE REPORT (A-486)

Alex Emmons, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (A-487)

Jeff Theising, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

Theising commented that he was pleased with the paint job on the Newton St. water tank.

REJECT BID FOR SLUDGE DRYING BEDS (A-497)

Tom Lents reported that after reviewing the bid for the sludge drying beds, it was more than 20% higher than the engineer's estimate, and he recommended rejecting the bid.

Lents said the majority of the work could be done by Wastewater employees, but he would have to get quotes at a later date for the concrete work.

Lents said he also would like approval to get quotes for repairs to a wall in an existing drying bed.

Mike Schwenk made a motion to reject the sludge drying bed bid from Krempp Lumber. Ed Kreilein seconded the motion. Motion approved, 6-0.

Ed Kreilein made a motion to allow Tom Lents to obtain quotes to repair the wall on drying bed #1, to do some of the work in house, and to obtain quotes later for the concrete work. Jeff Theising seconded the motion. Motion approved, 6-0.

WASTEWATER PLANNING COMMITTEE REPORT (A-550)

Ed Kreilein, Chairman of the Wastewater Planning Committee, stated the committee met on July 5th to discuss possible changes in the requirements of the installation of the collection system components.

Lents said he would like the Board to review the resolution over the next month and he will present it for approval in August. Lents invited the Board members to call him with any questions or concerns.

Lents explained that some of the changes have come about because of the advancements made in the types of materials that are available to put in sewer lines and manholes. Lents said another proposed change would be to require the owners of the real estate to hire an inspector, approved by the City, to insure that the construction of the sewer lines are in compliance with current specifications.

Sandy Hemmerlein said the resolution would also put technical specifications into the ordinance so the developers would know up front what is required. The resolution also contains language on turning over the sewer lines to the City once they are completed.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (A-652)

Mike Schwenk reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Commonwealth Engineers, Inc. in the amount of \$217.11, representing engineering services rendered for May 2005 relating to the Titan litigation issue; and, on behalf of Harrison & Moberly, LLP in the amount of \$2,724.00, representing legal services relating to the Titan litigation issue for the Wastewater Project. SRF and BIF funds have been exhausted, therefore after Utility Service Board approval, the above referenced claims will be paid from Wastewater funds.

The Finance Committee recommended approval of the claims as presented.

Mike Harder made a motion to approve the claims as presented. Ed Kreilein seconded the motion. Motion approved, 6-0.

UPDATE - TITAN/CINCINNATI LITIGATION (A-670)

Sandy Hemmerlein reported that the Titan/Cincinnati litigation is on going. Our attorney and the attorney for Cincinnati Insurance would be in Jasper on Tuesday completing some discovery and going through records and files.

Hemmerlein also stated the attorney for Cincinnati Insurance is an officer in the Army and would be reporting to duty in Iraq, so a new attorney would be taking over.

There being no further business to come before the Board, the meeting was adjourned at 7:52 PM upon motion by Alex Emmons and second by Mike Schwenk. Motion approved, 6-0.

Attest: _____
Secretary

Chairman